



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
OFFICE OF INSPECTOR GENERAL
11201 RENNER BOULEVARD
LENEXA, KS 66219

DATE: February 13, 2020

PREPARED BY: SA (b) (6), (b) (7)(C)

CASE #: OI-LE-2019-ADM-0047

CROSS REFERENCE #: Hotline 2019-0169

TITLE: EBAY EMERGENCY RESPONSE CHALLENGE COINS

CASE CLOSING REPORT

Subject(s)	Location	Other Data
(b) (6), (b) (7)(C)	Kansas City, Missouri; eBay Online Retailor	

VIOLATION(S): Contract Fraud; Theft of Government Property

ALLEGATIONS: On February 20, 2019, Special Agent (SA) (b) (6), (b) (7)(C), U.S. Environmental Protection Agency (EPA), Office of Inspector General (OIG), Office of Investigations (OI), Lenexa, Kansas, received an allegation from EPA Criminal Investigation Division (CID) Region 7, regarding the 2017 Emergency Response Challenge Coin (Coins) being sold on eBay. The Coins were available on eBay prior to them being distributed to the EPA employees who were awarded the Coins. It was alleged that approximately 750 Coins and cases were lost or stolen and were illegally being sold on eBay prior to the coins being distributed to EPA employees.

FINDINGS: The evidence shows that the Coins were misdelivered and were not stolen. The evidence further shows that the eBay seller of the Coins, (b) (6), (b) (7)(C) legally purchased the Coins and legally sold them on eBay.

DISPOSITION: On January 24, 2020, a memorandum detailing the investigative results was provided to (b) (6), (b) (7)(C), Director, EPA Preparedness and Response Operations Division, Office of Emergency Management.

This investigation is closed.

RESTRICTED INFORMATION

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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS
SAN FRANCISCO FIELD OFFICE

SAN FRANCISCO OFFICE
75 Hawthorne St. (IGI-1)
San Francisco, CA 94105
415-947-4507

DENVER OFFICE
1595 Wynkoop St., 4th Fl.
Denver, CO 80202
303-312-6815

SEATTLE OFFICE
1200 Sixth Ave., OIG-195
Seattle, WA 98106
206-553-2543

January 23, 2020

(b) (6), (b) (7)(C)

Director
Preparedness and Response Operations Division
Office of Emergency Management
U.S. Environmental Protection Agency
William Jefferson Clinton North Building
1200 Pennsylvania Ave. NW, Mail Code 5104A
Washington, D.C. 20004

(b) (6), (b) (7)(C)

On February 22, 2019, the EPA Office of Inspector General (OIG), Office of Investigations (OI) initiated an investigation related to Emergency Response Award Development Challenge Coins (coins) being sold on eBay. The investigation was conducted under case number OI-LE-2019-ADM-0047 and produced the following results.

On March 30, 2018, the EPA Office of Emergency Management (OEM) contracted with Lapel Pins Plus Network, LLC/Challenge Coins Plus, Winter Springs, Florida (PPN), to produce 1,750 coins and the same number of acrylic cases at a cost of \$8,522.50. The contract specified a delivery address of U.S. EPA William Jefferson Clinton North Building, 1200 Pennsylvania Avenue, NW, Mail Code 5104A, Washington, D.C. 20004.

On May 4, 2018, seven boxes of coins were delivered to the aforementioned address. The boxes were placed in a secure location, but the contents were never inventoried. In February 2019, after it was announced that these coins would be awarded to employees who responded to the different disasters in 2017, OEM determined approximately 750 coins and cases were never delivered by PPN. In February 2019, several EPA employees saw the coins being sold on eBay, prior to them being distributed by the EPA.

OEM notified PPN and the courier who delivered the coins, UPS, and it was determined that on June 13, 2018, an additional shipment of coins was accidentally shipped from PPN to an address in Biloxi, Mississippi, instead of the above-referenced EPA address. Since PPN was not notified of the missing coins within 30 days - per their terms and conditions, the coins would have to be remade. PPN agreed to split the cost of reproducing 750 coins with the EPA, with the EPA cost totaling an additional \$1,278.38.

When the coins shipped to the Mississippi address were undeliverable and it could not be determined to whom the coins should be returned, the coins became abandoned property within the UPS system. The coins, along with other items included in the same auction lot, were sold at a third-party auction to an individual located in Kansas City, Missouri. The individual, in turn, legally listed the coins for sale on eBay at a price of \$9.00 per coin. A request was made by EPA OIG OI Special Agents to the individual to voluntarily return the coins to the EPA. The individual stated he would be willing to work with the EPA to determine a fair price to be paid for the coins.

No further investigative activity is anticipated, and this investigation will be closed. If you or any other EPA OEM employee wish to contact the individual who legally purchased the coins in order to facilitate the return of the same, please contact the Case Agent, Special Agent (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) Special Agent (b) (6), (b) (7)(C) can provide you with identifying and contact information for the individual.

Sincerely,

(b) (6), (b) (7)(C)

Special Agent in Charge